

## Explanation of Codes

### Box 1. Income code.

	Code	Types of Income
Interest	01	Interest paid by U.S. obligors—general
	02	Interest paid on real property mortgages
	03	Interest paid to controlling foreign corporations
	04	Interest paid by foreign corporations
	05	Interest on tax-free covenant bonds
	29	Deposit interest
	30	Original issue discount (OID)
Dividend	31	Short-term OID
	33	Substitute payment—interest
	06	Dividends paid by U.S. corporations—general
	07	Dividends qualifying for direct dividend rate
Other	08	Dividends paid by foreign corporations
	34	Substitute payment—dividends
	09	Capital gains
	10	Industrial royalties
	11	Motion picture or television copyright royalties
	12	Other royalties (for example, copyright, recording, publishing)
	13	Real property income and natural resources royalties
	14	Pensions, annuities, alimony, and/or insurance premiums
	15	Scholarship or fellowship grants
	16	Compensation for independent personal services <sup>1</sup>
	17	Compensation for dependent personal services <sup>1</sup>
	18	Compensation for teaching <sup>1</sup>
	19	Compensation during studying and training <sup>1</sup>
	20	Earnings as an artist or athlete <sup>2</sup>
	24	Real estate investment trust (REIT) distributions of capital gains
	25	Trust distributions subject to IRC section 1445
	26	Unsevered growing crops and timber distributions by a trust subject to IRC section 1445
	27	Publicly traded partnership distributions subject to IRC section 1446
	28	Gambling winnings <sup>6</sup>
	32	Notional principal contract income <sup>3</sup>
	35	Substitute payment—other
	36	Capital gains distributions
	37	Return of capital
	50	Other income

### Box 6. Exemption code (applies if the tax rate entered in box 5 is 00.00).

Code	Authority for Exemption
01	Income effectively connected with a U.S. trade or business
02	Exempt under an Internal Revenue Code section (income other than portfolio interest)
03	Income is not from U.S. sources <sup>4</sup>
04	Exempt under tax treaty
05	Portfolio interest exempt under an Internal Revenue Code section
06	Qualified intermediary that assumes primary withholding responsibility
07	Withholding foreign partnership or withholding foreign trust
08	U.S. branch treated as a U.S. person
09	Qualified intermediary represents income is exempt

### Box 12. Recipient code.

Code	Type of Recipient
01	Individual <sup>2</sup>
02	Corporation <sup>2</sup>
03	Partnership other than withholding foreign partnership <sup>2</sup>
04	Withholding foreign partnership or withholding foreign trust
05	Trust
06	Government or international organization
07	Tax-exempt organization (IRC section 501(a))
08	Private foundation
09	Artist or athlete <sup>2</sup>
10	Estate
11	U.S. branch treated as U.S. person
12	Qualified intermediary
13	Private arrangement intermediary withholding rate pool—general <sup>5</sup>
14	Private arrangement intermediary withholding rate pool—exempt organizations <sup>5</sup>
15	Qualified intermediary withholding rate pool—general <sup>5</sup>
16	Qualified intermediary withholding rate pool—exempt organizations <sup>5</sup>
17	Authorized foreign agent
18	Public pension fund
20	Unknown recipient

<sup>1</sup> If compensation that otherwise would be covered under Income Codes 16–19 is directly attributable to the recipient's occupation as an artist or athlete, use Income Code 20 instead.

<sup>2</sup> If Income Code 20 is used, Recipient Code 09 (artist or athlete) should be used instead of Recipient Code 01 (individual), 02 (corporation), or 03 (partnership other than withholding foreign partnership).

<sup>3</sup> Use appropriate Interest Income Code for embedded interest in a notional principal contract.

<sup>4</sup> Non-U.S. source income received by a nonresident alien is not subject to U.S. tax. Use Exemption Code 03 when entering an amount for information reporting purposes only.

<sup>5</sup> May be used only by a qualified intermediary.

<sup>6</sup> Subject to 30% withholding rate unless the recipient is from one of the treaty countries listed under *Gambling winnings* (Income Code 28) in Pub. 515.